

GAIL AND SPONEURGH
CHIEFMAN
DON G. AREL
MEMBER OF THE BOARD
ROY A. BETLACH
MEMBER OF THE BOARD



DANIEL J. EVANS
GOVERNOR

Washington State Liquor Control Board
Olympia

M E M O R A N D U M

July 26, 1965

TO: James Hoing, Controller
FROM: A. J. Cohn, Supervisor
SUBJECT: Additional Information with Reference to the
Press Release for the Seattle Post-Intelligencer

Governor Martin, on his appointment of the original Washington State Liquor Control Board members, recited his interpretation of the purpose and spirit of the state liquor plan. Among other things, he advised that the Board's function was only to make good liquor available to the people under the proper conditions. The matter of control rather than profits was stressed.

At the outset, the Board provided a modest markup which allowed for limited profits. The original act indicated the legislative intent by limiting the net annual revenue that could be received by the Board to a maximum of 25 percent. In the 1939 legislature, an endeavor was made to change the law to requiring the Board to make a minimum of 25 percent net revenue. The then chairman, Admiral Gregory, appeared before a legislative committee indicating his fear that such a change could possibly result in a loss of revenue and control by reason of encountering illicit traffic in liquor. He recommended, and the legislature passed, the raising of the maximum allowable net revenue from 25 percent to 35 percent, to allow for flexibility and to provide more revenue if the conditions warrant.

Following this legislative enactment, modest changes were made which provided additional revenues from the sale of liquor as intended by the legislature.

A. J. Cohn
A. J. COHN, Supervisor
License Division

AJC:blm

PLAINTIFF'S EXHIBIT	
CASE NO.	CV04-0360P
EXHIBIT NO.	035

WSA04515

TX035_001